



DEFENSE FINANCE AND ACCOUNTING SERVICE  
ARLINGTON

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JUN 17 2002


DFAS-DFM

MEMORANDUM FOR DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE FINANCE  
AND ACCOUNTING SERVICE (DFAS-PM/CL)

SUBJECT: Interim Change to the DoDFMR, Volume 7A, Regarding Deductions Made When  
Computing Advance Pay (DFAS Item #L-27)

The attached is Interim Change 34-02 and is effective immediately. This change revises note 3 of Table 32-2 to address the Thrift Saving Plan as a deduction when computing the amount payable for advance pay. This proposed change also clarifies this procedure and includes the process for handling a deduction for TRICARE.

We have evaluated your comments on the proposed change and included your comments where appropriate. Assignment of the interim change number is your authority to initiate procedural modifications to implement this change. Use the attached to initiate the formal change to the DoDFMR, Volume 7A.

  
Jerry S. Hinton  
Director for Finance

Attachment:  
As stated

cc: OUSD(C) ODCFO (FC)  
DASD (MPP)(COMP)  
ODGC (F)  
DFAS-GAM/DE  
Service Liaisons  
USCG/NOAA/PHS Liaisons  
DFAS-PMJE/DE  
DFAS-PMA/CL

**Deductions When Computing Advance Pay**

**1. Change note 3 to Table 32-2 as revised by IC 02-02 as follows:**

**“3. Deductions:**

- a. For advance pay computation (rules 1 and 2) the following deductions will be made: (a) forfeitures; (b) Montgomery G.I. Bill; (c) Federal/state income tax withholding; (d) FICA; (e) SGLI; (f) AFRH; (g) Dependent Dental Plan; (h) TRICARE, (i) monthly repayment of a prior advance; (j) indebtedness to the U.S. or its instrumentalities, whether scheduled (monthly debt installment) or unscheduled (one-time collection); (k) garnishments; (l) statutorily-required support allotments in force; (m) court-ordered bankruptcy payments; and (n) TSP (basic pay designation only).
- b. For advance of pay and allowances computation (rules 6, 7, 8, 9) include total of all allotments in force and TSP designations i.e. special pay incentive pay, and bonuses (if paid monthly).”